

# Liability

## Cyber Ultra

Policy wording



# Welcome to NZI.

Thanks for selecting us as your insurer.  
This is your Liability Cyber Ultra policy wording.

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## Why NZI

NZI is one of New Zealand's largest and most well-known insurance brands. We're proudly backed by IAG (Insurance Australia Group) New Zealand. IAG is Australasia's largest general insurer. At IAG, our purpose is to make your world a safer place.



## Get in touch

If you have any questions, or you would like more information on this insurance policy, please contact your broker.

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## Introduction

<b>Welcome</b>	Welcome to NZI. Thank you for selecting us as your insurer.
<b>About this policy</b>	The <b>insured's</b> policy consists of: <ul style="list-style-type: none"><li>(a) this policy document, and</li><li>(b) the <b>schedule</b>, and</li><li>(c) any endorsements or warranties that <b>we</b> apply, and</li><li>(d) the information the <b>insured</b> has provided in the <b>application</b>.</li></ul>
<b>Duty of disclosure</b>	<p>When the <b>insured</b> applies for insurance, they have a legal duty of disclosure. This means the <b>insured</b> or anyone acting on the <b>insured's</b> behalf must tell <b>us</b> everything they know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:</p> <ul style="list-style-type: none"><li>(a) to accept or decline the insurance, and/or</li><li>(b) the cost or terms of the insurance, including the <b>excess</b>.</li></ul> <p>The <b>insured</b> also has this duty every time their insurance renews and when they make any changes to it.</p> <p>If the <b>insured</b> or anyone acting on the <b>insured's</b> behalf breaches this duty, <b>we</b> may treat this policy as being of no effect and to have never existed. Please ask <b>us</b> if you are not sure whether you need to tell <b>us</b> about something.</p>
<b>Defined words</b>	If a word is shown in <b>bold</b> , it has a specific meaning. There is a list of these words and what they mean in Section 9 – 'Definitions'.
<b>Examples</b>	<b>We</b> have used examples and comments to make parts of this policy document easier to understand. These examples and comments, which appear in <i>italics</i> , do not affect or limit the meaning of the section they refer to.
<b>Headings</b>	The headings in this policy document are for reference only and do not form part of it. They must not be used when interpreting the policy document.

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## Section 1 – Insurance agreement

<b>1.1 Our agreement</b>	The <b>insured</b> agrees to pay <b>us</b> the premium and comply with this policy. In exchange, <b>we</b> agree to provide cover to the <b>insured</b> as set out in this policy.
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## Section 2 – The cover we provide

The provisions of Section 2 apply to all Sections of this policy unless stated to the contrary.

<b>2.1 Privacy</b>	<p><b>We</b> will pay, on behalf of the <b>insured</b>, all sums which the <b>insured</b> becomes legally obliged to pay (including liability for claimants' costs and expenses) and <b>defence costs</b> resulting from any <b>claim</b> first made against the <b>insured</b> and notified to <b>us</b> in writing as soon as reasonably possible during the <b>period of insurance</b> as a direct result of:</p> <ul style="list-style-type: none"><li>(a) <b>Personal Information</b> the breach, by or on behalf of the <b>policyholder</b>, in respect of any natural person, of any <b>privacy obligations</b>.</li><li>(b) <b>Commercially Confidential Information</b> any actual or alleged unauthorised disclosure, loss or theft of <b>commercially confidential information</b>, by or on behalf of the <b>policyholder</b>.</li><li>(c) <b>Employee Information</b> the breach, by or on behalf of the <b>policyholder</b>, of any <b>privacy obligations</b> relating to any <b>employee</b> as a direct result of the <b>insured's</b> failure to maintain the confidentiality and/or security of any:<ul style="list-style-type: none"><li>(i) <b>computer records</b> pertaining to such <b>employee</b>; and/or</li><li>(ii) data or information pertaining to such <b>employee</b> stored on the <b>policyholder's</b> <b>computer systems</b>.</li></ul></li></ul>
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(d) **Breach of Personal and/or Commercially Confidential Information Outsourced by the Policyholder**

any actual or alleged unauthorised disclosure, loss or theft of:

- (i) **personal information**; or
- (ii) **commercially confidential information**,

in the care, custody or control of any **service provider** where such information is authorised to be in the care, custody or control of the **service provider** by the **policyholder** pursuant to a written contract.

### 2.2 System damage

(a) **We will pay rectification costs** incurred:

- (i) in retrieving, repairing, restoring or replacing any of the **policyholder's computer records** (or any other **computer records** for which the **policyholder** is responsible) that have been destroyed, damaged, lost, altered, distorted, erased or mislaid (and which after diligent search cannot be found);
- (ii) in repairing, restoring or replacing any of the **policyholder's computer systems** that have been destroyed, damaged, altered, distorted, erased or mislaid (and which after diligent search cannot be found),

as a direct result of any **cyber event** first discovered by an **insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance**.

(b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.

### 2.3 Business interruption

(a) **We agree to reimburse the policyholder for business interruption loss** incurred as the direct result of any **cyber event** first discovered and notified to **us** in writing as soon as reasonably possible during the **period of insurance**.

(b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.

(c) The **time excess** applies to Section 2.3.

### 2.4 Computer virus transmission and hacking

**We will pay, on behalf of the insured, all sums which the insured becomes legally obliged to pay (including liability for claimants' costs and expenses) and defence costs** resulting from any **claim** first made against the **insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of any **third party's** financial losses arising directly from:

- (a) a **hacking attack** or **virus** that has emanated from or passed through the **policyholder's computer systems**; or
- (b) a **hacking attack** or **virus** that restricts or prevents access to the **policyholder's computer systems** by **third parties** authorised by the **insured** to gain such access; or
- (c) the loss or theft of the **policyholder's** data or data for which the **policyholder** is responsible or alleged to be responsible for, arising directly from a **hacking attack** or **virus**.

### 2.5 Computer crime

(a) **We will cover the insured against loss** first discovered and notified to **us** in writing as soon as reasonably possible during the **period of insurance** by reason of the transferring, paying or delivering any funds or property, establishing any credit, debiting any account, use of a fraudulent electronic signature, or giving any value directly caused by the fraudulent input, fraudulent destruction or fraudulent modification of electronic data:

- (i) in the **policyholder's computer system**; or
- (ii) in the **computer system** of any **service provider**; or
- (iii) during electronic transmission between, stored within or being run within any of the **computer systems** in (i), (ii). above, committed by any **third party** or any **employee** with the clear intention of causing the **policyholder loss** or damage.

(b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.

### 2.6 Multimedia liability

**We will pay, on behalf of the insured, all sums which the insured becomes legally obliged to pay (including liability for claimants' costs and expenses) and defence costs** resulting from any **claim** first made against the **insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of:

- (a) libel, slander or defamation;
- (b) invasion of or interference with the right to privacy, including those of **employees**, or commercial appropriation of names or likeness;
- (c) plagiarism, piracy or misappropriation of ideas;



- (d) Infringement of copyright, domain name, commercial title or slogan, the dilution or infringement of trademark, service mark, service name or trade name; arising directly from:
- (i) the **policyholder's internet and email content**; or
  - (ii) the **policyholder's promotional material**; or
  - (iii) **third party** digital content downloaded, shared or distributed from the **policyholder's computer systems**.
- 2.7 Breach of statutory duties relating to e-commerce**
- (a) We will pay, on behalf of the **insured**, all sums which the **insured** becomes legally obliged to pay (including liability for claimants' costs and expenses) and **defence costs** resulting from any **claim** first made against the **insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of a breach, by or on behalf of the **policyholder**, of any statutory duty relating to the security or management of information collected or created in the course of **electronic commerce**.
- (b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.
- 2.8 Cyber extortion cover**
- (a) We agree to pay **cyber extortion costs** arising solely from a **security threat** first made against the **insured** and notified to **us** in writing as soon as reasonably possible during the **period of insurance**.
- (b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**. Any **cyber extortion costs** paid under this Section 2.8 shall be subject to local legal requirements and in cooperation with and under the direction of any appropriate criminal enforcement or other **authority** where required.
- Exclusion 6.17 (d) and 6.17 (e) do not apply to Section 2.8.

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## Section 3 – Automatic policy extensions

The following Automatic policy extensions are included automatically and are subject to the policy terms, unless otherwise stated.

- 3.1 Brand protection cover**
- (a) We will pay **public relations costs** incurred to avert or mitigate damage to the **policyholder's** reputation or its commercial brands caused by a **claim, cyber event or loss** that is covered under this policy.
- (b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.
- 3.2 Personal reputation cover**
- (a) We will pay **public relations costs** incurred to avert or mitigate damage to the reputation of any past or present director, company secretary, chief executive officer, chief operating officer, chief financial officer, chief risk or compliance officer, chief information security officer, chief information officer, chief technology officer or general counsel of the **policyholder** caused by a **claim, cyber event or loss** that is covered under this policy.
- (b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.
- 3.3 Privacy fines and investigations**
- (a) We will also pay, to the extent we are permitted to by law any:
- (i) **fine or penalty** payable by the **policyholder** as a direct result of a breach by the **insured** of its **privacy obligations**; and/or
  - (ii) **regulatory investigation costs** into such breach.
- Exclusion 6.14 'Fines and penalties' does not apply to this Extension.
- (b) Notice of the **regulatory investigation** into the breach specified in (a) above is first received by the **insured** and is notified to **us** in writing as soon as reasonably possible during the **period of insurance**.
- (c) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.
- 3.4 Privacy breach notification and loss mitigation**
- (a) We agree to pay or reimburse **privacy breach costs** incurred as a direct result of a **cyber event**, provided that the **insured** incurred such costs in order to:
- (i) fulfil a legal obligation; or
  - (ii) mitigate the effects of a **cyber event** for which the **insured** would be entitled to cover under Section 2.1.
- (b) The limit with respect to the cover provided in (a) above is \$25,000 per **claim** unless **our** prior written consent has been obtained in which case the **sub-limit** specified in the **schedule** will apply.

### 3.5 Free cyber consultation

During the **period of insurance** the **policyholder** is entitled to up to one hour in total of free advice (from the appointed legal firms and nominated practitioners listed in the **schedule**) on any and all matters relating to cyber issues arising from the conduct of the **insured business** subject always to the following:

- (a) an appointment must be made in writing with the nominated legal practitioner;
- (b) the **schedule** must be presented to the legal practitioner when requesting advice under this extension. If the **schedule** is not presented then no advice can be sought under this extension;
- (c) the legal practitioner will sign off in the **schedule** the free advice time units used in connection with the matter;
- (d) entitlement to advice is limited to a maximum of one hour in total per **period of insurance** and any unused hours or part thereof cannot be aggregated from one policy period to another;
- (e) **we** reserve the right to change the appointed firms or nominated practitioners at any time. Changes to the appointed firms and nominated practitioners will be notified to the **policyholder** on request;
- (f) the **insured** may not seek under this extension advice on this policy or other indemnity issues concerning insurance policies issued by **us**;
- (g) if cover under this policy is sought by the **insured** in respect of any matter on which the **policyholder** has sought advice under this extension, the **policyholder** authorises **us** (at **our** discretion) to engage the appointed firm to represent the **insured**.

### 3.6 Advancement of defence costs

- (a) If **we** elect not to take over and conduct the defence or settlement of any **claim**, then **we** will pay all **defence costs** provided that:
  - (i) **we** have not denied cover under the policy and where cover is denied, only up to the point of any denial of cover; and
  - (ii) **our** written consent is obtained prior to the **policyholder** incurring such **defence costs** (such consent shall not be unreasonably delayed or withheld).
- (b) The **insured** on whose behalf or for whose benefit **defence costs** were paid, shall repay to **us**, and **we** reserve the right to recover all such **defence costs**, in the event and to the extent that:
  - (i) an express admission is made by the **insured** or any person authorised to make such an admission on behalf of the **insured**, of any of the conduct as set out in Section 6.11; or
  - (ii) it is subsequently established, directly or indirectly, by judgment or other final adjudication, that conduct of the type as set out in Section 6.11 occurred.

### 3.7 Continuous cover

- (a) **We** cover the **insured** for any **claim** otherwise covered by this extension, arising from a **known circumstance** (notwithstanding Section 6.1 of this policy) if:
  - (i) there has been no fraudulent non-disclosure or fraudulent misrepresentation in respect of such **known circumstance**;
  - (ii) **we** were the cyber liability insurer of the **insured** when the **insured** first knew of such **known circumstance**;
  - (iii) **we** continued without interruption to be the **insured's** cyber liability insurer up until this policy came into effect;
  - (iv) had **we** been notified of the **known circumstance** when the **insured** first knew of it, the **insured** would have been covered under the policy in force at that time but is not now entitled to be covered by that policy, and the **insured** would (but for Section 6.1 of this policy) otherwise be covered under this policy; and
  - (v) the **known circumstance** has not previously been notified to **us** or to any other insurer.
- (b) If the **insured** was entitled to have given notice of the **known circumstance** under any other policy of insurance with any other insurer, then this extension does not apply to provide cover under this policy.
- (c) **Our** liability under this extension is reduced to the extent of any prejudice **we** suffer as a result of any delayed notification of the **known circumstance** to **us**.
- (d) The **limit of indemnity** or **sub-limit** as applicable of the cover **we** provide under this extension is the lesser available under the terms of the policy in force at the earlier time referred to in paragraph (a) (ii). above, or under this policy. The terms of this policy otherwise apply.

- 3.8 Extended reporting period**
- (a) In the event that this policy is not renewed or is cancelled for any reason other than non payment of premium then the **policyholder** has until such time that the **policyholder** effects another insurance policy which covers substantially the same risk as this policy, either with **us** or any other insurer(s), or a period of thirty (30) days commencing on the day immediately following expiry/cancellation of this policy, whichever is sooner, to notify **us** in writing of any **claims** made against or **losses** discovered by, the **insured** during the **period of insurance**.
  - (b) Cover under this extension:
    - (i) does not reinstate or increase the **limit of indemnity** or extend the **period of insurance**; and
    - (ii) will only apply to acts, errors or omissions committed or alleged to have been committed before the end of the **period of insurance** or the cancellation date of this policy where this policy has been cancelled; and
    - (iii) is limited to **claims** and **losses** arising from an act, error or omission which occurred on or after the 'Retroactive Date' specified in the **schedule**.
- 3.9 Former subsidiaries run-off cover**
- We** cover any former **subsidiary** of the **policyholder** for **claims**, liabilities, losses or costs of the type and on the basis specified in Sections 2 and 3 of this policy, provided that such cover shall only apply in respect of:
- (a) the conduct of the **insured business**; and
  - (b) acts, errors or omissions which occurred after the 'Retroactive Date' specified in the **schedule** and prior to the date on which such **subsidiary** ceased to be a **subsidiary** of the **policyholder**.
- 3.10 Merged and/or newly acquired subsidiaries**
- We** cover entities which are merged with or acquired by the **policyholder** while this policy is in force for **claims**, liabilities losses or costs of the type and on the basis specified in Sections 2 and 3 of this policy, provided that:
- (a) such cover shall only apply in respect of the conduct of substantially the same type of **insured business** as covered by this policy.
  - (b) this cover is only for a maximum of thirty days from the date of the merger or acquisition (or until the policy expires if that is sooner).
  - (c) **we** may agree to extend this period (subject to additional premium) after receipt of a satisfactory underwriting submission in respect of the merged or acquired entity.
  - (d) the Retroactive Date as specified in the **schedule** for such cover is deemed to be the date of the merger with or acquisition by the **policyholder** unless **we** otherwise agree in writing.
- 3.11 Reward expenses**
- (a) **We** agree to pay **reward expenses** incurred as a direct result of a **cyber event** first discovered and notified to **us** in writing as soon as reasonably possible during the **period of insurance**.
  - (b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.
- 3.12 Payment card industry fines and penalties**
- (a) **We** agree to pay fines or penalties attributable to the **insured's** failure to comply with the Payment Card Industry Data Security Standard (PCI DSS), provided the **insured** is PCI DSS compliant immediately prior to the **cyber event**.
  - (b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.

## Section 4 – Optional policy extension

This Optional extension only applies if it is shown in the **schedule**. It is subject to the policy terms. Cover under the Optional extension is included within the **limit of indemnity** and not additional to it.

### 4.1 Social engineering fraud

- (a) **We** will cover the **insured** against **loss** first discovered and notified to **us** in writing as soon as reasonably possible during the **period of insurance** as a direct result of **social engineering fraud, phishing** or **phreaking** provided that the **insured** maintains and enforces policies and procedures for:
  - (i) the provision of written training materials to all **employees** regarding the dangers of **social engineering fraud, phishing** and **phreaking** which incorporate regular review;
  - (ii) changing passwords for all online accounts and banking platforms maintained by the **insured** at least every 45 days and that the password protocols accord with industry best practice;
  - (iii) preventing any one individual to pay, deliver or transfer **money** or securities valued at more than \$2,000 from an account maintained by the **insured** without a second individual co-authorising such transaction.
- (b) The **sub-limit** with respect to the cover provided in (a) above is specified in the **schedule**.
- (c) The **excess** applicable to this Section 4.1 is the 'Social engineering excess' specified in the **schedule**.

## Section 5 – Basis of settlement

### 5.1 Limit of indemnity

- (a) **Limit of indemnity**  
The **limit of indemnity** applies to any one **claim** or matter the subject of cover under the policy and, subject to this Section 5, applies in the aggregate to the total of all **claims** or matters, covered by this policy.
- (b) **Defence costs**  
**Defence costs** covered by the policy are payable in addition to the **limit of indemnity**. The most **we** will pay for **defence costs** is the corresponding 'Limit for defence costs' shown in the **schedule**.

### 5.2 Limit if multiple persons and/or entities are covered

The **limit of indemnity** and **sub-limits** do not increase if there is more than one **insured** covered under this policy, or if more than one **insured** causes or contributes to any matter the subject of cover under the policy.

### 5.3 Sub-limits

If the policy indicates any **sub-limits** for specific types of cover under this policy, then the applicable **sub-limits** and not the **limit of indemnity** applies. The **sub-limits** are included within, and not in addition to, the **limit of indemnity**.

### 5.4 The excess

- (a) **We** only provide cover (up to the **limit of indemnity** or **sub-limit** as applicable) for that part of the **claim, loss, liability** or cost which exceeds the **excess**.
- (b) There are different **excesses** that may be applicable, depending on the matter the subject of cover under the policy which the **insured** must pay. The **insured** must also pay this **excess** when **we** provide cover for any costs and expenses incurred with respect to such matter if the **schedule** states 'Costs inclusive'.

### 5.5 Related claims or losses

Individual **claims, losses, liabilities** or costs arising out of and occasioned by or attributable to:

- (a) one original source or cause; and/or
- (b) one act, error or omission; and/or
- (c) a series of related acts, errors or omissions,

shall be deemed to arise out of one event and only one **limit of indemnity** or **sub-limit** as applicable and one **excess** will apply.



## Section 6 – Exclusions

There is no cover under this policy for any **claim, loss, cyber event, business interruption loss**, liability, cost or matter otherwise the subject of cover under this policy:

### 6.1 Known claims and circumstances

- (a) known by the **insured** at the inception of this policy; or
- (b) based upon, directly or indirectly arising from, or attributable to any **known circumstance**; or
- (c) disclosed in the **application** or arising from facts or circumstances which may give rise to a **claim, loss**, liability, loss or cost disclosed in the **application**; or
- (d) if this policy is endorsed or amended midterm, for any **claim, loss**, liability, loss or cost that arose from a **known circumstance** (as at the effective date of the amendment/endorsement) to the extent that the **claim, loss**, liability, loss or cost would not have been covered by the policy before such amendment/endorsement.

### 6.2 Foreign jurisdictions

Subject to the 'jurisdictional limits' specified in the **schedule**:

- (a) first brought in or determined pursuant to the laws of, the United States of America or Canada, or their territories or protectorates; or
- (b) arising out of the enforcement of judgments, orders or awards obtained in or determined pursuant to the laws of the United States of America or Canada, or their territories or protectorates; or
- (c) where the proper law of the United States of America or Canada, or their territories or protectorates is applied to any of the issues in any matter the subject of cover under this policy.

### 6.3 Assumed duty or obligation

**Based upon, directly or indirectly arising from, or attributable to:**

- (a) a liability under a contractual warranty, guarantee or undertaking (unless such liability would have existed regardless of the contractual warranty, guarantee or undertaking); or
- (b) circumstances where a right of contribution or indemnity has been given up by an **insured**, but only to the extent of the prejudice suffered by **us** in those circumstances; or
- (c) circumstances where someone has done work or provided services under an arrangement or agreement with an **insured** which limits any potential right for an **insured** to receive contribution or indemnity, but only to the extent that **we** are prejudiced in those circumstances; or
- (d) any liability which an **insured** agrees to accept in connection with the **insured business** conducted for or on behalf of the **policyholder** firm or incorporated body which is more onerous than that which the **insured** would otherwise have at common law, but only to the extent of the prejudice **we** suffer because of that agreement; or
- (e) any business not conducted for or on behalf of the **policyholder** firm or incorporated body.

### 6.4 Intellectual property rights infringement

Based upon, directly or indirectly arising from the actual or alleged infringement of any **intellectual property right** except as specifically covered under Section 2.1(b), 2.1(d) and 2.6 of this policy.

### 6.5 Breach of professional duty

**Based upon, directly or indirectly arising from, or attributable to:**

- (a) the rendering or failure to render professional services and/or professional advice to a **third party** by an **insured**; or
- (b) a breach or alleged breach of any contract for the provision of professional services and/or professional advice to a **third party** by an **insured**.

This Exclusion shall not apply to loss from any **claim** arising under Sections 2.1 –'Privacy' or 2.6 – 'Multimedia liability' alleging emotional distress, mental injury, mental tension or mental anguish.

### 6.6 Charge backs

As a result of any request from the **insured's** acquiring bank for funds or fines as a result of fraudulent credit or debit card transactions, although this exclusion shall not apply to any **claims** covered by Section 2.1 of this policy.

### 6.7 Enforcement order

Based upon, directly or indirectly arising from, or attributable to any failure to respond to or comply with an **enforcement order**.

<b>6.8 Failure or fitness of goods or services</b>	Arising out of the failure to supply goods or services or the supply of goods or services of inferior quality in breach of any contractual obligation, whether express or implied by law.
<b>6.9 Internet infrastructure failure</b>	In respect of Sections 2.2 and 2.3 only, based upon, directly or indirectly arising from, or attributable to any failure of external networks, cables, or core internet infrastructure servers not in the <b>policyholder's</b> control.
<b>6.10 Satellite failures, electrical or mechanical failures</b>	Based upon, directly or indirectly arising from, or attributable to any satellite failures, electrical or mechanical failures and/or interruption including, but not limited to, electrical disturbance, spike, brownout or blackout, outages to gas, water, telephone, cable, telecommunications, or other infrastructure, unless such infrastructure is under the <b>policyholder's</b> operational control and unless such <b>claim</b> is as a direct result of any <b>cyber event</b> .
<b>6.11 Wilful or dishonest acts of principals</b>	<p>(a) Based upon, directly or indirectly arising from, or attributable to any dishonest, fraudulent, criminal, malicious or reckless act or omission committed by any:</p> <ul style="list-style-type: none"><li>(i) <b>principal</b>; or</li><li>(ii) <b>employees</b> or any <b>third party</b> with the solicitation, enticement, intervention, participation, assistance, cooperation or knowledge or approval of any <b>principal</b>, unless such <b>principal</b> is a <b>former principal</b> at the time of the wilful, malicious, reckless or dishonest act or omission.</li></ul> <p>(b) For any person committing the wilful, malicious, reckless or dishonest act or omission specified in part (a) above.</p>
<b>6.12 Related parties</b>	<p>Against an <b>insured</b> brought by or on behalf of:</p> <ul style="list-style-type: none"><li>(a) any other <b>insured</b>; or</li><li>(b) any company in respect of which any <b>insured</b> holds (beneficially or otherwise) more than 10% of the voting shares or rights and/or an executive role; or</li><li>(c) any trust in respect of which any <b>insured</b> is a trustee and/or beneficiary and/or has a direct or indirect financial interest; or</li><li>(d) any other person, firm or incorporated body having control of over 10% or more of the voting shares or rights or an executive role in the operation of the <b>policyholder</b>.</li></ul> <p>This Exclusion does not apply to Section 2.1(c) 'Employee information'.</p>
<b>6.13 Retroactive limitation</b>	Arising out of any act, error or omission occurring before the 'Retroactive date' specified in the <b>schedule</b> .
<b>6.14 Fines and penalties</b>	<p>Based upon, directly or indirectly arising from, or attributable to:</p> <p>any fines and penalties, income tax, customs duties, excise duty, stamp duty, sales tax assessed, levied or imposed by law.</p> <p>This Exclusion does not apply to Section 3.3 'Privacy fines and investigations', Section 3.4 'Privacy breach notification and loss mitigation' and Section 3.12 'Payment card industry fines and penalties'.</p>
<b>6.15 Punitive and exemplary damages</b>	Based upon, directly or indirectly arising from, or attributable to punitive, aggravated or exemplary damages.
<b>6.16 Insolvency</b>	Arising directly or indirectly arising out of or in any way connected with an <b>insured's</b> insolvency, bankruptcy or liquidation.
<b>6.17 Pollution, nuclear risks, war and terrorism</b>	<p>Based upon, directly or indirectly arising from, or attributable to:</p> <ul style="list-style-type: none"><li>(a) the <b>insured</b> or anyone on behalf of or at the direction of the <b>insured</b> discharging, dispersing, releasing or permitting <b>pollutants</b> to escape into or upon land, the atmosphere, or any water course or body of water; or</li><li>(b) ionising radiations or contamination by radioactivity from any nuclear material; or the hazardous properties of any nuclear explosive, assembly or component; or</li><li>(c) war, invasion, acts of foreign enemies, civil or military uprisings, hostilities (even if war is not declared), or government power being taken unlawfully; or property being taken, damaged or destroyed by a government or public or local authority; or</li><li>(d) any <b>act of terrorism</b> regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, illness, injury, death, cost or expense; or</li></ul>

- (e) any action in controlling, preventing, suppressing, retaliating against, or responding to any **act of terrorism**.

This Exclusion shall not apply to an **act of terrorism** perpetuated electronically, including as a result of spoofing, sniffing, viruses or malware, mapping, hijacking, trojans, DoS (Denial of Service), DDoS (Distributed Denial of Service) or other denial of service attack or social engineering.

<b>6.18 Trade debt</b>	Based upon, directly or indirectly arising from, or attributable to a liability to pay trading debts or the repayment of any loan.
<b>6.19 Profit</b>	Based upon, directly or indirectly arising from, or attributable to a liability to any loss of the <b>Insured's</b> profit arising from the loss of any client, account or business, except as specifically covered by Sections 2.2 and 2.3 of this policy.
<b>6.20 Asbestos</b>	Based upon, directly or indirectly arising from, or attributable to asbestos.
<b>6.21 Bodily injury and/or property damage</b>	Based upon, directly or indirectly arising from, or attributable to: (a) bodily injury (except emotional distress, mental anguish or humiliation), sickness, disease or death of any person; or (b) destruction of or damage to tangible property (including the loss of use thereof).
<b>6.22 Government confiscation</b>	Based upon, directly or indirectly arising from, or attributable to the confiscation, commandeering, requisition, destruction of or damage to, <b>computer systems</b> by order of a government de jure or de facto, or by any public authority for whatever reason.
<b>6.23 UN sanctions</b>	Based upon, directly or indirectly arising from, or attributable to the provision of cover or a benefit under this Policy to the extent that the provision of such cover or benefit would contravene any sanction, prohibition or restriction under any United Nations resolutions or the trade or economic sanctions, law or regulations of the European Union, United Kingdom or United States of America.
<b>6.24 Unfair trade practices</b>	Based upon, directly or indirectly arising from, or attributable to any actual or alleged antitrust violation, restraint of trade, unfair competition, false, deceptive or unfair trade practices, violation of consumer protection laws, or false, deceptive or misleading advertising.
<b>6.25 Discrimination</b>	Based upon, directly or indirectly arising from, or attributable to any actual or alleged discrimination of any kind including, but not limited to, discrimination on the basis of race, colour, religion, age, sex, disability, pregnancy, marital status, political affiliations or ideology, sexual orientation or preference.

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## Section 7 – General conditions

### 7.1 How we administer this policy

#### A. Assignment

The **insured** may not assign this policy or any interest under this policy without **our** prior written consent.

#### B. Cancellation

By the insured

The **insured** may cancel this policy at any time by notifying **us**. If they do, **we** will refund any premium that is due to the **insured** based on the unused portion of the **period of insurance**. The **insured** must pay any outstanding premium due for the expired portion of the **period of insurance**.

By us

**We** may cancel this policy by giving the **insured**, or their broker, notice in writing or by electronic means, at the **insured's**, or their broker's, last known address. The policy will be cancelled from 4pm on the 30th day after the date of the notice. **We** will refund the **insured** any premium that is due to them based on the unused portion of the **period of insurance**.

## C. Change of terms

**We** may change the terms of this policy (including the **excess**) by giving the **insured**, or their broker, notice in writing or by electronic means, at the **insured's**, or their broker's, last known address. Unless otherwise specified in the notice the change in terms will take effect from 4pm on the 30th day after the date of the notice.

## D. Currency

Any amounts shown in this policy or in the **schedule** are in New Zealand dollars, unless otherwise specified in the **schedule**.

## E. GST

Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:

- (a) all **limits of indemnity** exclude GST, and
- (b) all **sub-limits** exclude GST, and
- (c) all **excesses** include GST, and
- (d) GST will be added, where applicable, to claim payments.

## F. Other insurance

The **insured** must notify **us** as soon as they know of any other insurance policy that covers the **insured** for any of the risks covered under this policy.

If the **insured** holds other insurance cover with any other insurer in respect of any **claim** covered under this policy, then **we** will only pay under this policy once cover under the other policy has been exhausted.

## 7.2 Laws and acts that govern this policy

### A. Disputes about this policy

The law of New Zealand applies to disputes about this policy and the New Zealand Courts have exclusive jurisdiction.

### B. Legislation changes

Any reference to any Act of Parliament or subordinate rules referred to in this policy includes any amendments made or substitutions to that law.

### C. Insurance law reform acts

The exclusions and conditions in this policy are subject to the **insured's** rights under the Insurance Law Reform Act 1977 and Insurance Law Reform Act 1985.

## 7.3 Your obligations

### A. Comply with the policy

The **insured** (and any other person or entity **we** cover) must comply with the conditions of this policy at all times.

### B. Breach of any condition

If:

- (a) the **insured**, or
  - (b) any other person or entity **we** cover under this policy, or
  - (c) anyone acting on the **insured's** behalf,
- breaches any of the terms and/or conditions of this policy, **we** may:

- (i) decline the claim either in whole or in part, and/or
- (ii) declare either this policy or all insurance the **insured** has with **us** to be of no effect and to no longer exist.

### C. True statements and answers

True statements and answers must be given, whether by the **insured** or any other person, when:

- (a) applying for this insurance, and/or
- (b) notifying **us** regarding any change in circumstances, and/or
- (c) making any claim under this policy, and communicating with **us** or providing any further information regarding the claim.

### D. Reasonable care

The **insured** must take reasonable care at all times to avoid circumstances that could result in a claim. The **insured's** claim will not be covered if the **insured** is reckless or grossly irresponsible.

## E. Change in circumstances

The **insured** must tell **us** immediately if there is a material:

- (a) increase in the risk insured, or
- (b) alteration of the risk insured.

Once the **insured** has told **us** of the change, **we** may then cancel or alter the premium and/or the terms of this policy.

If the **insured** fails to notify **us** about a change in the risk insured, **we** may:

- (a) declare this policy unenforceable, and/or
- (b) decline any subsequent claim either in whole or in part.

These actions will be taken from the date the **insured** knew, or ought to have known, of the increase or alteration in the risk insured.

*For avoidance of any doubt, information is 'material' where we would have made different decisions about either:*

- (i) accepting your insurance, or*
- (ii) setting the terms of your insurance,*

*if we had known that information. If in any doubt, notify us anyway.*

## 7.4 Severability and non-imputation

For the sake of determining indemnity under this policy:

- (a) the **application** shall be construed to be a separate application for cover by the **policyholder** and by each natural person covered by the policy, and no statement or representation in or with respect to the **application** by such person shall be imputed to any other natural person covered by the policy; and
- (b) knowledge possessed by and/or conduct of one natural person covered by the policy shall not be imputed to any other natural person who is an **insured**; and
- (c) any knowledge possessed by and/or conduct of any past or present director, company secretary, chief executive officer, chief operating officer, chief financial officer, chief risk officer, in-house general counsel, or any person who signed the declaration or proposal form in connection with this policy or any policy of which this policy is a renewal or replacement, shall be imputed to the **policyholder**.

## 7.5 Authority to accept notices and to give instructions

The **policyholders** listed in the **schedule** are appointed individually and jointly as agent of each **insured** in all matters relating to this policy, and to cover provided by the policy.

In particular (but without limitation) the **policyholders** are agents for the following purposes to:

- (a) give and receive notice of policy cancellation, to pay premiums and to receive any return premiums that may become due under this policy; and
- (b) accept endorsements or other notices provided for in this policy; and
- (c) give instructions to solicitors or counsel that **we** appoint or agree to, and to receive advice from them and to act on that advice; and
- (d) consent to any settlement **we** recommend; and
- (e) do anything **we** or **our** legal advisers think might help with the procedures set out in this policy for investigating, settling and defending **claims**, liabilities, losses or costs paid for under the policy; and
- (f) give **us** information relevant to this policy, which **we** can rely on when **we** decide whether to accept the risk, and set the policy terms or the premium.

## 7.6 Territory covered by this policy

The cover provided by this policy extends to acts, errors or omissions occurring anywhere in the world.

## 7.7 The insured's duty to comply with additional conditions

If **we** attach any additional conditions to the **insured's** policy regarding any risk survey or risk management timetable or any other conditions then it is a condition of this policy that these conditions are complied with by the deadlines shown.



## Section 8 – Investigation, defence, and settlement of claims

### 8.1 Insured's obligations

#### A. Do not admit liability

The **insured** must not:

- (a) admit liability, or
- (b) do or say anything that may prejudice **our** ability to defend the **claim** against the **insured** or take recovery action in the **insured's** name.

#### B. Advise us

If the **insured** becomes aware of any event that is likely to give rise to a claim under this policy regardless of the anticipated quantum, they must contact **us** immediately.

#### C. Minimise the loss

The **insured** must take all reasonable steps to minimise the claim and avoid any further loss or liability arising.

#### D. Provide full information

When making a claim, the **insured** consents to their personal information in connection with the claim being:

- (a) disclosed to **us**, and
- (b) transferred to the Insurance Claims Register Limited.

The **insured** must:

- (a) give **us** free access to examine and assess the claim, and
- (b) send any relevant correspondence or documents to **us**, and
- (c) complete a claim form and/or statutory declaration to confirm the claim if **we** request it, and
- (d) provide any other information, proof of ownership or assistance that **we** may require at any time.

#### E. Dishonesty

If the **insured's** claim is dishonest or fraudulent in any way, **we** may:

- (a) decline the claim either in whole or in part, and/or
- (b) declare either this policy or all insurance the **insured** has with **us** to be of no effect and to no longer exist from the date of the dishonest or fraudulent act.

This is at **our** sole discretion.

#### F. Do not dispose of property

The **insured** must not destroy or dispose of anything that is or could be part of a claim until **we** have given the **insured** permission to do this.

#### G. What the Insured must obtain our agreement to do

The **insured** must obtain **our** agreement before:

- (a) incurring any expenses in connection with any claim under this policy, or
- (b) negotiating, paying, settling, admitting or denying any **claim** against them, or
- (c) doing anything that may prejudice **our** rights of recovery.

### 8.2 Managing your claim

#### A. Allocation of defence costs

If a **claim** is covered only partly by this policy, then **we** will attempt to ensure fair and proper allocation of the **defence costs** for insured and uninsured portions.

If all parties are unable to agree upon the allocation of the **defence costs** then that allocation shall be decided by a lawyer that **we** and the **insured** agree to instruct, whose determination shall be binding upon all parties. The cost of the lawyer's determination is to be taken as part of the **defence costs** covered under this policy.

If the parties cannot agree on a lawyer, then a lawyer will be appointed by the President of the New Zealand Law Society.

#### B. Apportionment

If **we** pay costs and/or expenses in excess of the maximum amount payable under the policy, then:

- (a) the **insured** must refund to **us** all amounts in excess of the maximum amount payable, or
- (b) **we** can offset that payment against what **we** must pay the **insured** under this policy.

### C. Your defence

If the lawyer appointed to defend the **insured** advises that the **claim** should not be defended, then **we** are not required to defend a **claim** against the **insured** unless a second lawyer that **we** and the **insured** agree to instruct, advises that the **claim** should be defended.

If the parties cannot agree on a lawyer, then a lawyer will be appointed by the President of the New Zealand Law Society. In formulating his or her advice, the lawyer must be instructed to consider the:

- (a) economics of the matter, and
- (b) damages and costs likely to be recovered, and
- (c) likely costs of defence, and
- (d) prospects of successfully defending the **claim**.

The cost of the second lawyer's opinion is to be taken as part of the **defence costs** covered under this policy.

If the second lawyer advises that the **claim** should be settled and if the terms of settlement that **we** recommend are within limits that are reasonable (in the second lawyer's opinion, and in the light of the matters he/she is required to consider), then:

- (i) the **insured** cannot object to the settlement, and
- (ii) the **insured** must immediately pay the **excess** shown in the **schedule**.

### D. Subrogation

Once **we** have accepted any part of the **insured's** claim under this policy, **we** may assume the **insured's** legal right of recovery. If **we** initiate a recovery **we** will include the **excess**, and any other uninsured **losses** suffered by the **insured**. Where **we** do this, the **insured** agrees to pay their proportional share of the recovery costs, and subsequently the proceeds of the recovery will be shared on the same proportional basis, except that **we** will reimburse the **insured's excess** first.

The **insured** must fully co-operate with any recovery process. If the **insured** does not, **we** may recover from them the amount paid in relation to the claim.

### E. Defence of liability claims

After the **insured** has made a claim under this policy, subject to Section 8.2 C – 'Your defence', **we** have the sole right (which shall be a precedent to the **insured's** right to be covered) to:

- (a) act in the **insured's** name and on the **insured's** behalf to defend, negotiate or settle the **claim** as **we** see fit (this will be done at **our** expense), and
- (b) defend or legally represent the **insured**, and
- (c) publish a retraction or apology (in the case of defamation proceedings).

**We** may appoint **our** own lawyers to represent the **insured**. They will report directly to **us**.

### F. Discharge of liability claims

**We** may elect at any time to pay the **insured**:

- (a) the maximum amount payable under the policy, or
- (b) any lesser sum that the claim against the **insured** can be settled for.

Once **we** have paid this (including any **defence costs** already incurred up to **our** date of election), **our** responsibility to the **insured** under the policy is met in full.

### G. Waiver of professional privilege

The solicitors **we** instruct to act on behalf of the **insured** are at liberty to disclose to **us** any information they receive in that capacity, including information they receive from the **insured**. The **insured** authorises the solicitors to disclose this information to **us**.

## 8.3 Costs and expenses

- (a) Any fees, costs or expenses incurred by **us** (other than to determine **our** liability under this policy) in investigating, defending and settling any matter notified under the policy (in respect of which **we** ultimately confirm cover) will form part of the fees, costs and expenses as otherwise covered by this policy.
- (b) Any amount paid by **us** in settlement of a dispute the subject of a matter notified under the policy, shall be deemed for all purposes of the policy to be a payment made under the policy.

## Section 9 – Definitions

The definitions apply to the plural and any derivatives of the bolded words.

<b>act of terrorism</b>	any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which: (a) involves violence against one or more persons; or (b) involves damage to property; or (c) endangers life other than that of the person committing the action; or (d) creates a risk to health or safety of the public or a section of the public; or (e) is designed to interfere with or to disrupt an electronic system.
<b>application</b>	the information provided by the <b>insured</b> or on the <b>insured's</b> behalf to <b>us</b> when the <b>insured</b> purchased this insurance or requested a quotation for this insurance from <b>us</b> . It also includes any subsequent information the <b>insured</b> provides <b>us</b> with.
<b>authority</b>	any official regulator, government body or government agency.
<b>business interruption loss</b>	the difference between: (a) <b>revenue</b> , including advertising revenue, that the <b>policyholder</b> reasonably projects has been lost solely and directly as a result of a failure in the <b>insured's</b> capability to use the <b>policyholder's computer systems</b> or access the <b>policyholder's computer records</b> ; and (b) costs that the <b>policyholder</b> would have incurred to generate such <b>revenue</b> (including the cost of raw materials, and other saved costs), plus additional expenditure reasonably and necessarily incurred for the purpose of avoiding or diminishing such loss of revenue or for resuming or maintaining normal operation of the <b>insured business</b> .  This amount shall be determined by <b>us</b> based on an analysis of the <b>revenue</b> generated and costs generating such <b>revenue</b> during each month of the twelve (12) months prior to the <b>cyber event</b> and taking into account reasonable projection of future <b>revenue</b> and costs and all material changes occurring in market conditions which would affect the future <b>revenue</b> and costs generated, less any savings, had no <b>cyber event</b> occurred.  Where the <b>policyholder</b> has not completed the first year's trading, the amount shall be determined by <b>us</b> based on an analysis of the <b>revenue</b> generated and costs during each month from the commencement of the <b>insured's business</b> prior to the <b>cyber event</b> and taking into account reasonable projection of future <b>revenue</b> and costs and all material changes in market condition which would affect the future <b>revenue</b> and costs generated, less any savings, had no <b>cyber event</b> occurred.
<b>claim</b>	subject to Exclusion 6.1 – Known claims and circumstances: (a) the receipt by an <b>insured</b> of any written demand for money or damages, or non-pecuniary relief; or (b) any writ, summons, application or other originating legal (criminal, civil or otherwise) or arbitral proceedings, cross claim or counter-claim which is served upon an <b>insured</b> .
<b>commercially confidential information</b>	any information other than <b>personal information</b> : (a) which is not in the public domain or publicly available; and (b) where disclosure may undermine the economic interest or competitive position of the owner of the information.
<b>computer records</b>	electronically stored data including magnetic tape, software or computer programs for or in respect of a <b>computer system</b> used in the course of the conduct of the <b>insured business</b> .

<b>computer system</b>	all electronic computers including operating systems, software, hardware, componentry, firmware and all communication and open system networks, websites wheresoever hosted, off-line media libraries and data backups used in the course of the conduct of the <b>insured business</b> .
<b>cyber event</b>	any: <ul style="list-style-type: none"><li>(a) <b>hacking attack or virus;</b></li><li>(b) malicious damage to the <b>policyholder's computer systems</b> by an <b>employee;</b></li><li>(c) accidental damage to or destruction of the <b>policyholder's computer records</b> because of an operational error, an error while establishing the parameters, or an involuntary error by an <b>employee</b> or a <b>service provider;</b></li><li>(d) failure of a <b>service provider</b> hosting the <b>policyholder's computer systems</b> as a direct result of (a) to (c) above;</li><li>(e) failure of a direct or back-up power supply or under/over voltage but only if such power supply is owned, managed or controlled by the <b>policyholder</b> or by a <b>service provider;</b></li><li>(f) electrostatic build-ups or electromagnetic disturbances.</li></ul>
<b>cyber extortion costs</b>	<ul style="list-style-type: none"><li>(a) any monies (including crypto or virtual currencies) paid by the <b>policyholder</b> in accordance with local legal requirements and with <b>our</b> prior written consent (which shall not be unreasonably delayed or withheld);</li><li>(b) reasonable and necessary fees, costs and expenses that <b>we</b> incur or the <b>policyholder</b> incurs with <b>our</b> prior written consent (which shall not be unreasonably delayed or withheld):<ul style="list-style-type: none"><li>(i) in negotiating, mediating and crisis managing to terminate or end a <b>security threat</b> that might otherwise result in harm to the <b>insured;</b> or</li><li>(ii) the cost to conduct an investigation to determine the cause of a <b>security threat.</b></li></ul></li></ul>
<b>defence costs</b>	all reasonable and necessary legal fees, costs and expenses (including any expert costs where the choice of expert has been approved by <b>us</b> ) that <b>we</b> incur or the <b>policyholder</b> incurs with <b>our</b> prior written consent (which shall not be unreasonably delayed or withheld) in the investigation, defence or settlement of any <b>claim</b> made against the <b>insured</b> .
<b>electronic commerce</b>	the transacting, disseminating or enabling the marketing, buying, selling or distribution of goods, services or information through the internet, the world wide web, private networks, intranets, extranets, wireless application protocol, email or instant messaging systems.
<b>employee</b>	a natural person who is not a <b>principal</b> , but who is or was, at the time the relevant act, error or omission occurred, a person who: <ul style="list-style-type: none"><li>(a) had entered into a contract of service with the <b>policyholder</b> firm or incorporated body and is or was remunerated by the <b>policyholder</b> for that service; or</li><li>(b) is neither a party to a contract of service with the <b>policyholder</b>, nor an independent contractor, but a party to a contract for service with the <b>policyholder</b> for the provision of services to or on behalf of the <b>policyholder</b> for reward; or</li><li>(c) a volunteer worker or student,</li></ul> and in respect of (a), (b) and (c) above is under the <b>policyholder's</b> direction, control and supervision in the conduct of the <b>insured business</b> .
<b>enforcement order</b>	notice or order from any data protection authority, government authority, regulator, court, tribunal or other public body authorised to investigate, prosecute or otherwise enforce applicable laws or regulations relating to the collection, storage or processing of <b>computer records</b> , requiring the <b>insured</b> to: <ul style="list-style-type: none"><li>(a) confirm compliance with any data protection and/or privacy law or regulation;</li><li>(b) take specific measures to comply with any data protection and/or privacy law or regulation; or</li><li>(c) refrain from processing any specified <b>computer records</b> or using any specified <b>computer system.</b></li></ul>
<b>excess</b>	the 'Policy excess', 'Time excess' or 'Social engineering excess' as applicable as stated in the <b>schedule</b> .

<b>fine or penalty</b>	<p>(a) a monetary fine or penalty payable by an <b>insured</b> to an <b>authority</b>;</p> <p>(b) fine or penalty does not include any amounts payable or calculated by reference to:</p> <ul style="list-style-type: none"><li>(i) compensation;</li><li>(ii) compliance, remedial, reparation or restitution costs;</li><li>(iii) exemplary or punitive damages;</li><li>(iv) any consequential economic loss;</li><li>(v) requirement to pay taxes, rates, duties, levies, charges, fees or any other revenue charge or impost; and</li><li>(vi) any fine or penalty the insurance of which is prohibited at law.</li></ul>
<b>former principal</b>	<p>person who has been, but is no longer:</p> <ul style="list-style-type: none"><li>(a) <b>principal</b> of a <b>policyholder</b>; or</li><li>(b) the <b>principal</b> of any corporate entities through which the <b>policyholder</b> previously traded, in the course of the conduct of the <b>insured business</b>.</li></ul>
<b>hacking attack</b>	<p>any malicious or unauthorised electronic attack including, but not limited to, any brute force attack, <b>phishing</b>, denial of service attack, initiated by any <b>third party</b> or by any <b>employee</b> and that is designed to damage, destroy, corrupt, overload, circumvent or impair the functionality of the <b>policyholder's computer systems</b> or <b>policyholder's computer records</b>.</p>
<b>insured</b>	<ul style="list-style-type: none"><li>(a) the <b>policyholder</b>; and</li><li>(b) any <b>subsidiary</b> of the <b>policyholder</b>;</li><li>(c) any person who is or becomes, during the <b>period of insurance</b>, a <b>principal</b> or <b>employee</b> of the <b>policyholder</b>; and</li><li>(d) any <b>principal</b>, <b>former principal</b> or <b>employee</b> of the <b>policyholder</b>; and</li><li>(e) the estate, spouse, heirs, legal representatives, successors or assigns of any <b>insured</b>.</li></ul>
<b>insured business</b>	<p>the 'insured business' specified in the <b>schedule</b> conducted by or on behalf of the <b>policyholder</b>.</p>
<b>intellectual property right</b>	<p>any intellectual property right including but not limited to trademarks, trade secrets, broadcasting rights, domain names, commercial title or slogan, commercial extortion, metatags and copyrights. 'intellectual property right' does not include any patent, trade secret or confidential information that came into the possession of any person prior to the date such person became an <b>employee</b> or <b>principal</b> of the <b>policyholder</b>.</p>
<b>internet and email content</b>	<p>any text, images, video, interactive content or advertising material published on the <b>policyholder's</b> website or contained within an email sent by an <b>insured</b> or any advertising material produced by or on behalf of the <b>policyholder</b> and published on a <b>third party's</b> website.</p>
<b>known circumstance</b>	<p>any fact, situation or circumstance which:</p> <ul style="list-style-type: none"><li>(a) an <b>insured</b> was aware of at any time before the <b>period of insurance</b> or any relevant amendment or endorsement of the policy; or</li><li>(b) a reasonable person in the <b>insured's</b> position would have thought, at any time before the <b>period of insurance</b> or before any relevant amendment or endorsement of the policy, might result in someone making an allegation against an <b>insured</b> in respect of a liability, loss or costs, that might be covered by this policy or by any amendment or endorsement to this policy.</li></ul>
<b>limit of indemnity</b>	<p>the 'Limit of Indemnity' specified in the <b>schedule</b> which shall be <b>our</b> maximum liability, in the aggregate, payable under this policy, subject to the terms, conditions and exclusions of this policy.</p>
<b>loss</b>	<p>direct loss of <b>money</b> sustained by the <b>policyholder</b>. 'Loss' does not include loss of profits, loss of income, loss of bargain, or other types of consequential loss.</p>
<b>money</b>	<p>any physical or electronic legally acceptable currency (excluding crypto or virtual currencies), coins or bank notes of a generally accepted value.</p>



## Liability Cyber Ultra / Policy wording

<b>period of insurance</b>	the period shown in the <b>schedule</b> , that specifies the start and end dates of this insurance contract.
<b>personal information</b>	information or an opinion about an identified individual, or an individual who is reasonably identifiable whether the information or opinion is: (a) true or not; and (b) in a material form or not.
<b>phishing</b>	the fraudulent use of electronic communications or websites to impersonate the <b>insured</b> or its products or services for the purpose of soliciting personal, confidential or commercial information about the <b>insured's</b> clients.
<b>phreaking</b>	the unauthorised and malicious use of the telephone system of the <b>insured</b> which results in authorised charges or bandwidth costs which the <b>insured</b> is legally liable to pay.
<b>policyholder</b>	each of the following, individually and jointly: (a) each person, firm or incorporated body identified in the <b>schedule</b> as the 'Policyholder', each <b>principal</b> or <b>former principal</b> of any such firm or incorporated body; and (b) any entity which is engaged in the conduct of <b>insured business</b> and which is created and controlled, during the <b>period of insurance</b> , by anyone identified in the <b>schedule</b> as the 'Policyholder'; and (c) anyone who becomes a <b>principal</b> of the 'Policyholder' identified in the <b>schedule</b> , during the <b>period of insurance</b> (but only in respect of the conduct of the <b>insured business</b> for or on behalf of the 'Policyholder' identified in the <b>schedule</b> ).
<b>pollutant</b>	any solid, liquid, gases or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkali, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
<b>principal</b>	a sole practitioner, a partner of a firm, or a director of a company, which practitioner, firm or company is covered by this policy.
<b>privacy breach costs</b>	reasonable and necessary fees, costs and expenses that <b>we</b> incur or the <b>policyholder</b> incurs with <b>our</b> prior written consent (which shall not be unreasonably delayed or withheld) required to be incurred in respect of any <b>privacy obligations</b> to: (a) fulfil any legal or regulatory obligation the <b>policyholder</b> has to notify <b>third parties</b> of an actual or suspected breach of privacy in relation to any <b>personal information</b> ; or (b) establish a credit monitoring service or identity theft helpline; or (c) provide call centre support services; or (d) conduct an independent audit of the <b>policyholder's computer systems</b> to identify the source of such privacy breach.
<b>privacy obligations</b>	the <b>insured's</b> legal obligations arising directly from: (a) any privacy statement governing the handling of information on the <b>policyholder's computer systems</b> ; (b) any written contract between the <b>policyholder</b> and a third party governing the processing and storage of credit card information on the <b>policyholder's computer systems</b> ; (c) any implied contractual duty to use reasonable care and skill in the handling of <b>personal information</b> or credit card information (including breaches of the payment card industry data security standard); (d) any legal obligation to notify individuals of an actual or potential breach of their <b>personal information</b> ; (e) statutory data protection regulations in the country or countries where the <b>policyholder</b> operates, including industry specific data protection and security regulations as they currently exist and as amended.

<b>promotional material</b>	any marketing materials or tangible goods produced by or on behalf of the <b>policyholder</b> for the purpose of marketing the <b>insured business</b> .
<b>public relations costs</b>	reasonable and necessary fees, costs and expenses that <b>we</b> incur or the <b>policyholder</b> incurs with <b>our</b> , or Cunningham Lindsey's prior written consent (which shall not be unreasonably delayed or withheld) as a result of the use of external public relations consultants appointed by <b>us</b> . For the avoidance of doubt, public relations costs does not include the basic salaries of <b>employees</b> or the <b>policyholder's</b> office expenses or any payments that the <b>policyholder</b> has paid or agreed to pay as part of any service or maintenance contract.
<b>rectification costs</b>	reasonable and necessary fees, costs and expenses that <b>we</b> incur or the <b>policyholder</b> incurs with <b>our</b> , or Cunningham Lindsey's prior written consent (which shall not be unreasonably delayed or withheld) as a result of the use of external consultants, contractors or advisers including but not limited to forensic or security consultants or any additional costs that the <b>policyholder</b> incurs to pay its <b>employees</b> . For the avoidance of doubt, rectification costs does not include the basic salaries of <b>employees</b> or the <b>policyholder's</b> office expenses or any payments that the <b>policyholder</b> has paid or agreed to pay as part of any service or maintenance contract.
<b>regulatory investigation</b>	subject to Section 3.4 – 'Privacy breach notification and Loss mitigation': (a) any formal or official civil examination, investigation, inquiry, hearing or other civil proceedings ordered or commissioned by any <b>authority</b> into the <b>privacy obligations</b> of the <b>policyholder</b> during the <b>period of insurance</b> : (i) requiring attendance before or the production of documents by the <b>policyholder</b> to the <b>authority</b> ; (ii) requiring questions to be answered by the <b>policyholder</b> to the <b>authority</b> ; (iii) identifying the <b>policyholder</b> in writing as a target of an examination, investigation, inquiry, hearing or other proceeding by an <b>authority</b> . (b) notice of the <b>regulatory investigation</b> specified in (a) above is first received by the <b>insured</b> and notified to <b>us</b> in writing as soon as reasonably possible during the <b>period of insurance</b> ; (c) a <b>regulatory investigation</b> shall be deemed to be first made when the <b>policyholder</b> is first required to respond and/or attend or is so identified as a target of the regulatory investigation. (d) <b>regulatory investigation</b> does not include any routine inspection, supervision, compliance or similar reviews or general industry wide violation reviews of the <b>policyholder</b> .
<b>regulatory investigation costs</b>	reasonable and necessary fees, costs and expenses that <b>we</b> incur or the <b>policyholder</b> incurs with <b>our</b> or Cunningham Lindsey's prior written consent (which shall not be unreasonably delayed or withheld) with respect to a <b>fine or penalty</b> or <b>regulatory investigation</b> .
<b>revenue</b>	the amount of net profit or loss before income taxes which would have been earned or incurred had no <b>cyber event</b> occurred.
<b>reward expenses</b>	reasonable and necessary property or other consideration paid by <b>us</b> or by the <b>policyholder</b> with <b>our</b> , or Cunningham Lindsey's prior written consent (which shall not be unreasonably delayed or withheld) to a <b>third party</b> (other than a law enforcement professional or <b>authority</b> ) for the information leading to a conviction of an indictable offence arising out of a <b>hacking attack</b> covered by this policy.
<b>schedule</b>	the latest version of the schedule <b>we</b> issue to the <b>insured</b> for this policy.
<b>security threat</b>	any expressed and documented threat or connected series of threats to commit a local, cross border or multi-country attack against the <b>policyholder's computer system</b> for the purpose of demanding <b>money</b> , securities or other tangible or intangible property of value from the <b>insured</b> .

## Liability Cyber Ultra / Policy wording

<b>service provider</b>	any person, partnership, company, corporation, incorporated society or other body corporate or entity 'third party' independent contractor that is not an <b>insured</b> , who provides business process (including call centre, fulfilment and logistical support) and/or information technology services (including hosting, security management, co-location, and collects, stores or processes the <b>policyholder's computer records</b> ) for the <b>policyholder</b> in accordance with a written contract.
<b>social engineering fraud</b>	the impersonation of an <b>employee, principal</b> , client or supplier of the <b>insured</b> , by a <b>third party</b> which prompts the <b>insured</b> to issue an instruction to a financial institution to debit, pay, deliver or transfer <b>money</b> or securities from an account maintained by the <b>insured</b> to that <b>third party</b> or another person or entity. It includes a <b>third party</b> acting in collusion with an <b>employee</b> or <b>principal</b> to create the impersonation provided that the individual or individuals issuing the instruction were not a party to the collusion.
<b>sub-limit</b>	the limit of <b>our</b> insurance cover for each of the matters listed in the <b>schedule</b> under 'Sub-limits' or in Section 2 or 3 of this policy.
<b>subsidiary</b>	any company or other incorporated entity which at the commencement of the <b>period of insurance</b> by virtue of New Zealand law was, or is, either directly or indirectly a subsidiary of any incorporated body identified in the <b>schedule</b> as the 'Policyholder'.
<b>third party</b>	any person, partnership, company, corporation, incorporated society or other body corporate or entity who is not an <b>insured</b> , at the time of their acts, errors or omissions.
<b>time excess</b>	means the number of hours that must elapse, as stated in the <b>schedule</b> , before the recovery of a <b>business interruption loss</b> can be considered.
<b>virus</b>	any software code including but not limited to any logic bomb, trojan horse or worm that has been introduced by any <b>third parties</b> or by any <b>employees</b> and that is designed to damage, destroy, corrupt, overload, circumvent or impair the functionality of the <b>policyholders computer systems</b> or <b>policyholders computer records</b> .
<b>we</b>	NZI, a business division of IAG New Zealand Limited. We may also use the words 'us', 'our' or 'company' to describe NZI.

